

Group will look beyond boundaries, eliminate duplication of efforts

By Steve Sharp steves@wdtimes.com | Posted: Friday, February 19, 2016 11:59 am

With Watertown and Jefferson County rapidly changing demographically, as well as in terms of transportation ease and advantages, regional resources and competition from nearby metropolitan areas, considerable changes are coming for local economic development groups.

Representatives of the Watertown Economic Development Organization (WEDO) and the Jefferson County Economic Development Consortium (JCEDC), and others, met with the Daily Times Thursday to unveil plans for an expansion of focus and an anticipated merger in 2016, along with a capital campaign.

WEDO was founded in 2012 with its mission being to promote and enhance the economic vitality of the community through the retention and expansion of existing businesses and the attraction of new businesses to the Watertown area. WEDO services include site location, marketing assistance and its acting as a resource for numerous business-related topics.

The JCEDC serves as the lead economic development organization in Jefferson County. The consortium was formed in June of 2003 to implement the county's overall economic development program and to achieve the economic development goals of the county. Its overall goals are to "foster and encourage responsible, sustainable economic development activities that result in job creation, job retention, increase the tax base and improve the quality of life for the citizens of Jefferson County."

In addition to announcing its capital campaign that will allow it to engage the region's private sector in collaborative economic development work, representatives of both organizations, the city of Watertown and Jefferson County talked of their eventual potential merger and of developing a five-year economic development strategic plan. Together, this effort aims to increase economic development responsiveness; improve visibility of the area statewide, regionally and globally; and



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Jefferson County Administrator Ben Wehmeier, left, listens as Watertown Mayor John David explains potential changes to the structures of the Watertown Economic Development Organization and the Jefferson County Economic Development Consortium at the Watertown Daily Times offices Thursday. The two entities are planning to merge later this year.

align area communities, businesses, and economic development partners with the work of the program.

According to its innovators, when it is launched, the intention is to have a newly developed partnering, nonprofit organization led jointly by area public and private sector leadership and JCEDC staff. The leadership of the partner organization will oversee the implementation of the plan's programming. Alongside this process, the JCEDC and WEDO announced their intentions to pursue the merger of the two organizations under the auspices of the JCEDC.

Leaders from both organizations have been in discussions since late 2015 about how to better work together on economic development initiatives in Watertown and the greater Jefferson County area.

"The development of this new model and the merger holds much promise for the city of Watertown, as well as the greater area. Having WEDO merge with the JCEDC is a smart move that helps both organizations toward long-term sustainability while providing better value for our businesses," Watertown Mayor John David -- also board chairman of the JCEDC -- said. "When companies look at expansion or relocation, they look at an entire customer base, labor shed and supply chain of an area. The steps area economic development leadership is set to take in 2016 positions Watertown and our area to be more relevant in the economic development arena."

"Economic development is an increasingly competitive field. Our area alone is experiencing a significant number of layoffs but is set to grow our workforce by nearly 1,000 jobs," Jefferson County Administrator Ben Wehmeier said. "Our economy is evolving and our organizational model needs to evolve with it. Alignment is critical for local economic partners to be as effective as possible."

The merged organization, which has yet to be named, would eliminate duplication of efforts and align resources to effectively manage and implement the work program of the five-year strategic plan. Because both organizations are currently operating with minimal staff and budgets, it is difficult for each to work on the breadth of economic development projects. The merger would permit a broader scope of work and cover more sectors of economic development in the area. For Watertown, it will also increase efficiencies, because most of the businesses currently served by the organization operate areawide.

"Businesses don't stop functioning at the municipal or county boundaries," Genevieve Coady, the JCEDC's executive director, said. "This new model for economic development is a model for business, not for government. Our job is to best support businesses with their challenges and opportunities, and I believe this newly merged organization and the strategic plan will empower us to do just that."

"Watertown businesses aren't confined to jurisdictional boundaries," Matthew Mauthe, WEDO board president and CEO of Marquardt Village in Watertown, said. "As businesses expand beyond

Watertown, whether it's through their supply chain, workforce, customer bases or additional facilities such as Marquardt Village, the new organization will be able to assist them more effectively and efficiently. More resources and staff will be directly available and on-call to our companies under this new model. The work program of the five-year plan will cover more of the spectrum of economic development work we need to focus on in Watertown."

The organization will be funded by both the public and private sectors through the capital campaign. Currently, JCEDC member communities in Jefferson County pay a per-resident fee. Member communities include Cambridge, Fort Atkinson, Jefferson, Johnson Creek, Lake Mills, Waterloo, Watertown and Whitewater.

Jim Schroeder, chairman of the Jefferson County Board of Supervisors, said Jefferson County has one of the only publicly funded, areawide economic development organizations in the Midwest.

"The creation of a true public-private economic partnership and supporting strategic plan for our area will not only emulate best practices, but, more importantly, give the private sector a leadership role in the health of our area's economy," Schroeder said.

Kim Erdmann, WEDO executive director, said the Watertown and Jefferson County area ultimately operates as one economy sandwiched in between major metro areas.

"There is a unique opportunity at hand to reinvent how we support our area's economy. This merger will enable us to take economic development to the next level -- not only for Watertown and its businesses, but for all of the businesses in the area. Our plan is to provide more strategic assistance to a greater number of companies in the area," Erdmann said.

Boards for both organizations will vote on the merger in March. A feasibility study for the capital campaign is also expected to begin next month. The campaign, to be executed in the second half of the year, will focus on raising funds for economic development programming. Programming will include job fairs, workshops and seminars, and other economic development activities designed to promote business retention and attraction.

Nate Salas, president of Watertown Partnership Bank, recalled the genesis for the merger came in October of 2015 when members of both organizations acknowledged there was an overlap of concerns and services. In January, the notion WEDO and the JCEDC could merge was brought before their respective boards, becoming more "official" at that point.

Coady said her organization and WEDO are "developing a new model for how businesses do business." She said the organization that will likely spring from recent planning sessions and the future pursuit of the 501(c)(3) nonprofit status by the groups will not be limited to as much provincialism as in the past.

"We are not going to be stopping at the county borders," Coady said of the new economic

development organization that may see formation.

"We want a name for the group that will represent areas, not boundaries," Salas said.

"We are talking with folks in Dodge County who may be interested in joining us because this is broader than just Jefferson County," David added.

Organizers of the merger said the headquarters of the new organization would likely be located in Jefferson, but with eyes toward allowing them to be "mobile," and certain "office hours" could be set in Watertown.

David said the reaction, across the board, to the merger has been positive. He said both the WEDO and JCEDC boards were unanimous in their support of the idea.

Salas said the advantages of a merger to both entities is becoming obvious. He said the competitive forces from the east in Milwaukee and the west in Madison make a strengthening of the Watertown and Jefferson County economic development sources necessary.

"We need to work together," Salas said, adding Watertown should not be competing with Johnson Creek in this day and age, but pooling ideas and resources. The representatives also stressed the need, in 2016, to look at Jefferson and Dodge counties more as an economic development "region."

"We want connections running north and south, as well as east and west," Erdmann said. "We already have worker movement that mirrors that."

A timeline for the merger, as presented by Wehmeier, includes generation of a "memorandum of understanding" by the end of March. This would be formalized later this year. Then, the development of the 501(c)(3) status for the group may take place, along with coordination of public and private entities to make the merger possible. A feasibility study regarding the capital campaign would also be part of the process, with the campaign taking place in the second half of the year. The capital campaign will focus on raising funds for economic development programming. Programming will include job fairs, workshops and seminars, and other economic development activities designed to promote business retention and attraction.

The group agreed that more about how the merger will occur will be known perhaps by the end of March, with a formal merger possible by this summer.

"We have to make sure our (economic development) toolbox is ready for the future," Wehmeier said of the expansion of growth potential offered by the merger.

"This is a great idea," David said. "It's a positive thing for the city and it's coming right along. It is also positive for the county. We all have to be sustainable to compete."

"We had to ask, 'How can we continue to be partners?'" Erdmann said. "We can't just be living in a bubble."